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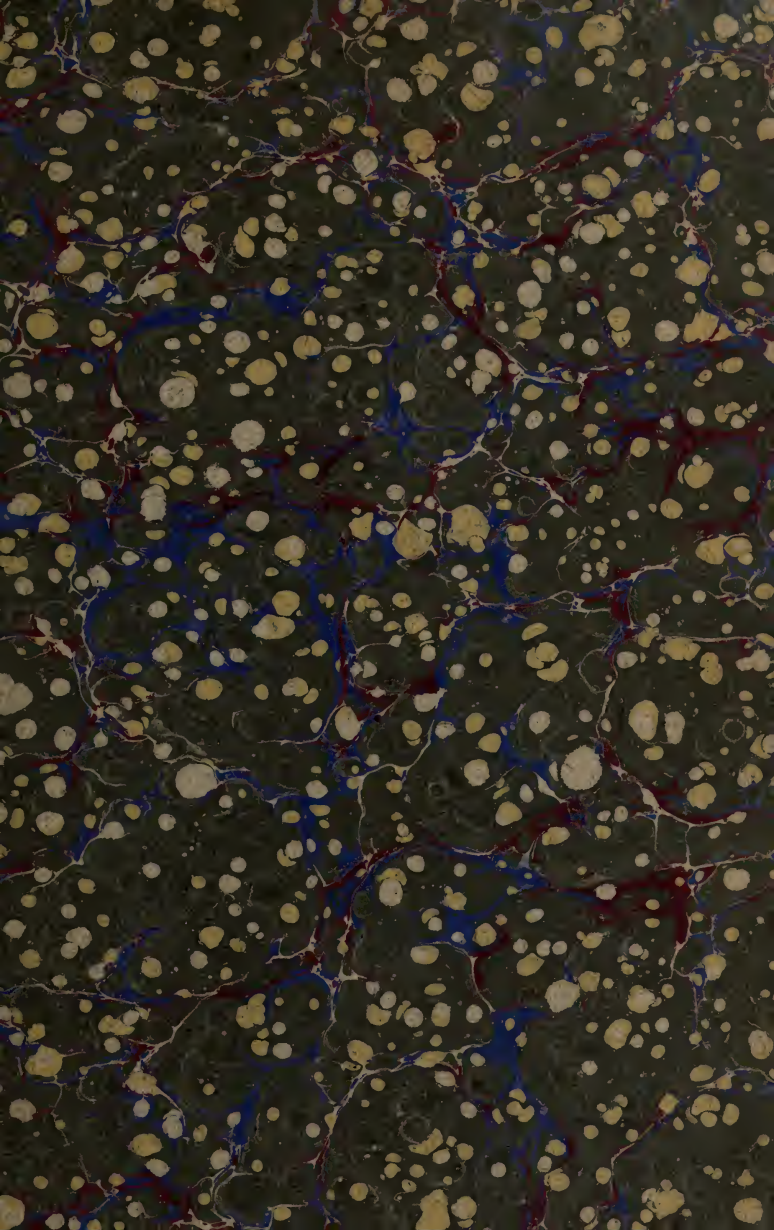
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PROTECTION
AND
FREE TRADE
To-Day

At Home and Abroad

In Field and Workshop

BY

ROBERT P. PORTER



BOSTON

JAMES R. OSGOOD AND COMPANY

1884

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C. J. PETERS AND SON,
ELECTROTYPERS AND STEREOTYPERS,
145 HIGH STREET.

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This paper, by ROBERT P. PORTER (member of the late United States Tariff Commission; author of "The West in 1880;" late Chief of the Wealth, Debt, Taxation, and Railroad Divisions of the United States Census), was read before the Arkwright Club, Boston, August 7, 1884, and ordered to be printed.

PROTECTION AND FREE TRADE TO-DAY.

AT HOME AND ABROAD, IN FIELD AND WORKSHOP.

THE arguments for or against Free Trade or Protection, can no longer depend upon the theories of political economists, but must rest upon a foundation supplied by the records of national progress during the last half century, and a study of the existing conditions of industrial populations. Such records are now made by all European nations as well as by the United States, fully supplying the requisite information for a scientific study of their industrial condition. Departure from this precise method of investigation can only result in a rehash of the theories of a past age, and involve the student and legislator in a never-ending circle of useless discussion and dangerous experiments. Following this scientific method, supplemented by the latest statistical information gained in my Census investigations and Tariff Commission work and by my personal observations during the past year in England, France, Germany, Holland, and Belgium, I propose to present, in this paper, a concise picture of the results of the free trade and protective policy of different nations as affecting national progress and the happiness and comfort of the people engaged in industrial pursuits.

The countries which levy imposts for the support of government, with a view to favor commerce in the first degree, are Great Britain and Holland. These two nations are the examples of free trade. After forty years of

active work, the free-traders of the world bear about the same proportion to the population of the world as the Mormons do to our entire population. Forty years ago Richard Cobden made many prophecies which have not been fulfilled. "Free trade," he said, "was to benefit British agriculture."

It has measurably ruined it. The population has decreased in many agricultural counties. Fewer persons are employed in agriculture now than during his life. Land is going out of cultivation; already 1,000,000 of acres have gone out of wheat cultivation in England; and 1,300,000 acres of arable cultivation in Ireland. John Bright himself admits that the English farmer has lost \$1,000,000,000 of late years. It has been found impossible to retain the sheep husbandry, which was brought into existence by protective measures, and the flocks have decreased 6,000,000. There were 25,964 or 10 per cent, fewer farmers in 1881 than in 1871, and 18 per cent more farmers' bailiffs. There were also 10 per cent fewer farm laborers.

The official figures of the British Census Reports of the decade between 1871 and 1881 refute the official optimism of Robert Giffen, Chief of the Statistical Department of the Board of Trade, who has recently skilfully marshalled an array of figures to show the progress of the working classes in England under half a century of free trade.

These official reports show that, of the population of England and Wales, of 26,061,736, the number returned as having definite or gainful occupations was 11,187,564 in 1881; while in 1871 the number was placed at 14,786,875. This enormous decline of workers can in part be explained by the changes in the classification of the census; but, after this has been accounted for, evidences of a great industrial decline remain. For example: the tin miners of Cornwall in 1871 numbered 15,543; and in 1881, 10,253; while the production of tin in the same period has fallen 21 per cent. The agricultural laborers in 1871 numbered 962,348, while in 1881 there were 870,778.

The population engaged in making boots and shoes has decreased from 235,477 in 1871, to 216,536 in 1881. The silk workers number 60,995, and show a decrease in this trade of 22 per cent, coincidentally with which there

has been a fall of 55 per cent in the amount of importation of raw silk. The producers of gloves, straw hats, and straw plaits have largely fallen off. Dressmakers, drapers, and haberdashers have increased more rapidly than the population. The linen and the lace goods industries are on the decline. There is a marked increase in the number employed in coal mines and in making machinery.

The one is the export and consumption of a wealth that can never be replaced; the other is the placing in the hands of foreigners the means by which other nations are competing with Great Britain. With a similar increase in other industries, this might be considered a healthy sign; with a decrease in every other industry, it is regarded by many statesmen with alarm.

The number employed in the five principal textile industries has declined from 919,817 in 1861 (here I have not the figures for 1871) to 883,303 in 1881.

The free-trade cry has for years been in England, "If one industry does not pay, try something else." In vain has the producer gone from one thing to another, until he stands surrounded by an idle army puzzled as to what he shall next try. The home market is steadily melting away, while new barriers are being erected in foreign countries. The following paragraph of Mr. Hoyle's tells the close of the sad story of cheapness and the degradation of human labor that the census figures and the wage statistics have so graphically portrayed:—

"In the forty-second annual report of the Registrar-General (page 27) I find that of the total number of deaths in 1879, one out of every fifteen died in a workhouse; while in London, the wealthiest city in the world, one out of nine died in the workhouse. Among the 600,000 outdoor paupers there are, doubtless, more deaths than among the 190,000 indoor paupers. If this be so one out of about every seven of our population end their days as paupers."

One out of every seven of the population end their days as paupers! This is from the official record of the British Government.

Turning to the shipping industry of Great Britain, the pride and boast of the free-traders, what do we

find? In 1883 I visited the great ship yards of the Clyde. I ascertained the truth from the pay-roll of the leading ship-builders; the figures were taken from the pay-roll in the presence of two witnesses, one of whom was Mr. Henderson, Government Inspector of Factories for Northern England and Scotland. The particular pay-roll taken was for the last two weeks of November, 1883. The highest prices had been paid for labor, and, to use the language of a ship-builder, "English and Scottish workmen always work like demons the few weeks preceding holidays." Added to this, the yard was overflowing with work. Every one was on full time. The exact number on the pay-roll, including foremen and apprentices, was 1,614; the exact amount of the fortnight's pay-roll was 3,988 pounds sterling. Of this number 27 per cent, or a little over one quarter, were "timers," and 73 per cent, or nearly three quarters, were "piece-workers." For convenience sake, give the odd 14 men about a pound each and call the number of men 1,600, and the amount of the fortnight's pay-roll 4,000 pounds sterling. Here is the result:—

$$4000 \div 1,600 = \text{£}2 \text{ 10s.}$$

Average fortnightly earnings of each man, $\text{£}2 \text{ 10s.}$ (\$12.50).

Average weekly earning of each man, $\text{£}1 \text{ 5s.}$ (\$6.24.)

This pay-roll was a favorable one for the workman. It included foremen, platers, and riveters, and other skilled mechanics; the men could not earn during the year fifty-two amounts equal to the average weekly earnings of the two weeks taken. Could they, however, their individual earnings would not exceed \$312 for the year. Only 10 per cent of the total amount paid out was for unskilled labor. How many persons received the 10 per cent of the $\text{£}4,000$.

Number of unskilled laborers, "piece-workers,"	190
Number of unskilled laborers, "timers," . . .	248
	<hr/>
	438

The laboring man numerically represented considerably over 25 per cent of the number on the pay-roll, though he only received 10 per cent of the pay; a trifle over 18s.

per fortnight, or actually less than \$2.50 per week. If the unskilled laborers are deducted from the skilled workmen, there remains about £3,600 sterling to be distributed among 1,176 of those employed, making the average weekly pay of the skilled workmen about £1 10s. (\$7). On this a man can live in England decently, but on 10s., or \$2.50, he simply drags out an existence of want and misery, and ends by becoming one of the paupers of the empire. Within the last few weeks the cable brings us news from London that ship-building is at a stand-still; whole fleets of large steamers are lying idle; thousands of poor, starving laborers are without food and shelter; well-to-do families are seeking poor-relief. In spite of the claims that she possesses the markets of the world, England is suffering from over-production, and great distress prevails throughout the kingdom.

The postmaster-general has recently furnished a return of the occupation of the depositors in the British Post-office Savings Banks, the chief feature of which is the great falling off in the number of depositors belonging to the working classes. In 1875 those classed as artisans and laborers constituted 22 $\frac{84}{100}$ per cent of the depositors, while in 1882 they constituted only 17 $\frac{8}{100}$ per cent. It will also be seen in the more general report that the working classes as depositors are decreasing.

Percentage to total.

	1883. Per cent.	1879. Per cent.	1875. Per cent.
Lower middle classes	18.60	17.60	14.40
Working classes	34.90	37.57	42.49
Others	46.50	44.83	43.11
	<hr/>	<hr/>	<hr/>
Total	100.00	100.00	100.00

PRESENT CONDITION OF BRITISH LABOR.

These figures, from the official publications of the British Government, sustain in every respect my own observations in the industrial centres of Great Britain in 1883. In the Black Country of Staffordshire I found thousands of women and children reduced to the most shocking slavery, — compelled to work twelve or fourteen hours a day at

the forge, and often the aggregate wages of a whole family insufficient to provide the necessaries of life. At Coventry and Macclesfield I found the silk industry was dying out; that the importation of raw silk had decreased from 8,000,000 pounds in 1871 to less than 3,000,000 now; the iron workers of Staffordshire were losing money, while the coal-workers of South Wales were simply living in squalid wretchedness,—common labor having been reduced to half-a-crown a day (62½ cents). In the Cleveland and Barrow districts wages were higher and the laborers better off. Bradford was lamenting the loss of the all-wool stuff trade. The cotton manufacturers of Lancashire say they are consuming their capital, while the weaker industries in Scotland are being exterminated. Leicestershire hosiery hands were emigrating. The export of linen yarn is less than half what it was in 1871, 20,000 persons having been thrown out of work in this industry since 1861. And lastly, the English watch trade has migrated to Switzerland, France, and the United States. While the great industries are thus struggling for existence against the combined industrial forces of the world, the woollen, the silk, the linen, the sugar, and the watch industries, and, what is of more importance than all of them, the agricultural industry, are suffering more and more from foreign competition, and the artisans and laborers are told to “try something else,” or “emigrate.”

To give some idea of the condition of the laboring classes under free trade, I will describe what I witnessed in a three days' walk through the nail districts of Worcestershire (the centres of which are Lye Waste and Halesoen). The inhabitants of this desolate district are among the most industrious and yet the most wretched in England. They are engaged in making all kinds of nails, rivets, and chains.

The work is done in little smithies attached to the hovels in which the workers reside, and for which the usual rent seems to be about sixty to seventy cents a week. These houses, as a rule, contain little or no furniture, they are filthy and wretched beyond description. What spare time the nailer's wife gets from her domestic duties is spent at the smithy fire, pounding at the anvil until late at night, but the extra work that the woman does, combined with that

of one child — say a girl of fourteen — will barely keep the family from starvation. For example, an expert nailer, working steadily from Monday till Friday night (the actual working time), can only make two and a half bundles of iron rods into nails, for which he gets 6s. 7½*d.* per bundle, or, for his week's work, 16s. and 8*d.*, exactly \$4.00. His wife, working every moment of her spare time, and late into the night, can make a bundle of common nails, for which she is paid 3s. 1*d.*, and the girl of twelve will hammer out half a bundle, 1s. 6½*d.* Total earnings of the industrious and hard-working family, three at the forge, for the entire week : —

	English Money.	United States. Money.
Father	16s. 8 <i>d.</i>	\$4.00
Mother	3s. 1 <i>d.</i>	.74
Daughter	1s. 7½ <i>d.</i>	.39
Total gross earnings	21s. 4½ <i>d.</i>	\$5.13

Out of this pittance comes 3*d.* for carriage of iron from the “foggers” and returning the nails ; 1s. for the smithy fire, and 3*d.* for the wear of the tools — net earnings, \$4.77 per week, — the united earnings of three industrious, sober persons.

I stood in the “foggers’” shops of these nailing districts and saw the pale and emaciated women drag their weary limbs up the narrow black hills to the “gaffer’s,” and eagerly watch the weighing of the heavy sacks of nails.

The “foggers” do not claim that a woman without family, who goes to the forge every morning and works twelve or fourteen hours daily, can make more than 8s. a week — less than \$2.00. But the truth is they do not make anything like that amount. I found mother and daughter working side by side at the anvil and “oliver” the whole week making but 9s. — \$2.16 a week. These “olivers” are heavy iron machines, worked by means of two heavy treadles. They make 8-inch bolts, all sorts of nails and chains, and these women’s earnings rarely exceed \$1.25 per week. In this way mothers and children toil on from year to year. Their children, ragged and ill-fed, lead mis-

erable lives, with no hope before them but a life of wretchedness and penury.

The account of my Lye Waste experience was assailed right and left by free-traders in the United States. Copies of the New York "Tribune" containing it and other letters of a similar character were sent over to the London newspapers in hopes that the facts might be contradicted. But to no purpose. The most shocking accounts of wretchedness among the industrial classes in England and Wales have been indorsed by the London "Standard" (Dec. 26, 1882), the London "Daily News" (March 6, 1883), and the London "Telegraph," a few weeks later, in an article, "Chained to the Forge;" by the "Christian Million" (Nov. 22, Nov. 29, Dec. 6, and Dec. 13), an illustrated paper, whose artist followed me, as the commissioners of the London dailies had done before, illustrating with his pencil the industrial misery so deep and dreadful that the most graphic pen can but faintly convey the depths of sorrow that I had imperfectly endeavored to describe. Again, within a few miles of the region thus described, I reiterated on a public platform every fact as published in America (Leamington, Nov. 10, 1883).

Were the facts challenged?

No! Voices from the audience said the half of what existed had not been told. One speaker declared:—

"There are more than 100,000 of the 400,000 population of Birmingham living in back courts, and the condition of the houses, if they might be called houses in those courts — [a voice: 'pigsties'] — was simply shocking. I trust that what has fallen from Mr. Porter, the noble chairman, and the honorable member for North Staffordshire will go to the public. In two hours we have had laid before us a mass of information; and if we could during the winter, by agitation, lectures, interviews, pamphlets, disseminate these and other facts amongst the people of England, we shall find this to be the one question. The views we have espoused in endeavoring to confute the Cobden Club have been more advanced in this afternoon than at any meeting I have had the honor to attend."

At that meeting the Earl of Dunraven, who presided, aptly said that the members of the Cobden Club (from

whom most of the free-trade writers drew their information) had been so long looking at one side of free trade and trying to persuade themselves that it was a two-sided object, that they could not possibly look at the thing and see both sides. They had enveloped themselves in a haze of statistics, out of which it was almost impossible for them to see.

With declining industries, poorly paid and half-starved labor, it is hardly necessary to say that the total cost of pauperism and crime in Great Britain has steadily, year by year, increased. Not simply increased, but increased at a greater ratio than the population. In 1840 the total cost was \$30,000,000; in 1881 it had reached the enormous sum of \$82,000,000. The population in 1841 was 26,500,000; to-day it is 35,000,000. Is it surprising that Mr. Joseph Chamberlain should exclaim in despair: "Never before was the misery of the very poor more intense, or the conditions of their daily life more hopeless or more depraved?"

Every year the gulf that separates the rich and the poor in England deepens and broadens. Sir Edward Sullivan, in a recent book ("Free-Trade Bubbles"), thus attacks the policy that has brought ruin to once flourishing industry:—

"Listen. Supposing you and other high priests of free trade could detect in America or France the same percentages of crime, of pauperism, of drunkenness, especially amongst women, that exists in England; if you saw one in every five of the population toeing the line of pauperism; if you could see an increasing inequality in the distribution of wealth; the centralization of land and capital into fewer hands; the extinction of small proprietors and small industries; land going out of cultivation or relapsing into pasture; the marked deterioration in the quality of our manufactured goods; large capitalists and large works swallowing up small capitalists and small works, and destroying the field for individual exertion; if you saw many industries that were formerly strong now weak and seeking other lands; if, finally, you saw a whole province, like Ireland, with 6,000,000 of inhabitants, so impoverished, so poverty-stricken, that every principle that has hitherto been

esteemed all over the world as absolutely indispensable to the progress and happiness of mankind, has had to be thrown overboard in order to keep the social and political body and soul together; if, I ask you, you and your friends had seen all this, or a half of it, or a hundredth part of it, in protectionist France or protectionist America, would you not, I say, have improved the occasion and read them a homily on the curse of protection."

EFFECT OF FOREIGN COMPETITION IN ENGLAND.

Free-traders in the United States affect not to see the dissatisfaction among the working classes of England. The operatives of Lancashire and Yorkshire understand how they have been robbed by foreign competition. They have watched the great industrial progress of the United States, of France, and of Germany under protection; and they know that it has been more marked during the last twenty years than that of Great Britain. The most dangerous of England's continental competitors in the textile industries may be found at Lille, Roubaix, Tourcoing, Rouen, and St. Etienne, in France; and Crefeld, Aachen, and Chemnitz, in Germany. The Rhenish and Westphalian coal and iron districts, with such works as those of Essen and Dortmund, and those at Seraing, Belgium, can produce iron and steel as cheaply as England can, and the certainty of a home market gives these protective countries the advantage in the contest for foreign trade. In view of this you will not be surprised when I tell you that I have found shoddy manufacturers from Batley and Dewsbury established in Aachen, Prussia; Lancashire and Scottish spinners in Rouen; Leicestershire hosiery manufacturers in Saxony; Yorkshire wool-combing establishments in Rheims; Dundee jute mills in Dunkerque; all-wool stuff manufacturers in the vicinity of Roubaix; English iron and steel mills in Belgium; and English woollen mills in Holland.

Removing English capital to the Continent has secured a profitable home market, while England was near with widely-open ports to serve as a "dumping-ground" to unload surplus goods, made by foreign labor superintended by English skill. In this way the English markets are swamped and her labor undersold.

The last issue of the "Quarterly Review" sustains me on these points. It frankly admits that these things are clearer to the operatives of Lancashire and Yorkshire than they are to the cultured classes. Public meetings like the one at Leamington have recently been held in Birmingham, Manchester, Blackburn, and other towns for the advocacy of some revision of the free-trade system. The principles of Mr. Bright are no longer considered as a revelation, but are openly controverted by working men themselves in their birthplace. We are also informed that the alarm among the working classes is spreading. Referring to the figures of the Board of Trade, with which John Bull has for some years been consoling himself, and making himself believe that his pet theory was all right, the "Quarterly Review" says:—

"People may doctor figures to their heart's content, and try their hardest to keep Mr. Cobden upon his pedestal; but some day, and at no remote period, the working classes will speak in a tone and to a purpose little contemplated by the upholders of a system long since out of date. The statisticians and philosophers will then turn round and prove that the working man is supported by figures as well as facts."

At present the weavers and operatives do not seek for anything but a Royal Commission to inquire into the actual condition of trade, the cause of its declining, and the remedy. Tens of thousands of factory hands see, as I have shown by the census reports, their occupation slipping away from them, and they demand the reason why? The free-trader says you must not ask why, because the answer might weaken your faith in our sacred creed.

The following extract from the "Quarterly Review" for April, 1884, is the most emphatic expression yet uttered by the agricultural class in Great Britain in favor of a return to the protective policy:—

"The people begin to comprehend that, even in 1846, no man dreamt of asking for 'free trade' as we now have it. Sir Robert Peel was quite confident that the world would follow our example, and upon that basis all his arguments were built. It can scarcely be doubted that Sir Robert Peel and Mr. Cobden, if they could see us as

we now are, would counsel us earnestly to retrace our steps and to take just and moderate measures for the protection of native industries. The reconversion of Sir Robert Peel would not, perhaps, be difficult, for the conversion was sudden, and it was effected in a moment of panic. Mr. Cobden might hesitate a little longer, for the League or its friends subscribed for his private purse from first to last about £200,000; and incidents of that kind make it difficult for a man to change his point of view. The operatives of to-day, for whom nothing is subscribed, approach the subject with more unbiased minds. They hear a great deal of the progress made by England under free trade; but a thousand newspapers, books, and other sources of information make them aware that the United States has made much greater progress under protection. If there is a good argument on one side, there is just as good an argument on the other. Therefore they are still in doubt; but when they come to look at the conditions under which they are required to fight the rest of the world they are no longer in doubt. Everything of foreign make may come into England duty free; nothing of English make can go into foreign markets without heavy duties. The foreigner is free; the English workman is not. This injustice strikes home deeper than it did, for the workman sees foreign goods increasing in the shop windows of his own town, wherever that may be, and he does not like the sight. He will like it less and less as time goes on; for no one need suppose that the weavers will succumb to 'economic laws' without a murmur. They will not emigrate, or 'find other work,' or permit themselves to be 'erased.' The silk industries died—or all but died—and made no sign, but the number of persons engaged in them was comparatively small. When the great time of trial comes for the cotton industries—as come it will and must—there will be a noise in England which will be heard all over the world."

The late trade circular of Bolling and Lowe, iron-merchants, London, says,—

"However much we may preach the blessings of free trade to other nations, they seem farther than ever from adopting it. One after another shuts the door, so to say,

in our faces, and virtually, by protective duties, prevents the entrance of our goods. As a producer of iron and steel, Great Britain has, roughly speaking, to dispose of about a third of her total by way of export. No other country is similarly placed. Markets that used to belong fairly to this country we can hardly approach at all; for instance, Russia used to take very large quantities from us. There they now manufacture for themselves, and, whatever the cause, we have lost a good customer."

No words could more innocently express the "blessings of free trade" from the English point of view!

The London "Times," in discussing the hopeless prospects of free trade in America, says, —

"The United States do not approach the question from the same point of view as ourselves. The object of their statesmen is not to secure the largest amount of wealth for the country generally, but to keep up, by whatever means, the standard of comfort among the laboring classes."

The "Times" fails to comprehend that a high standard of comfort among the laboring class will inevitably secure the largest amount of wealth to the country.

EFFECTS OF FREE TRADE IN HOLLAND.

The history of free trade in Holland offers few attractions to the theoretical political economist. I spent a month recently in that country, and found in many quarters a growing anti-free-trade sentiment. This sentiment has since, we are informed by the Hon. David Eckstein, United States consul to Amsterdam, crystallized and taken the form of petitions from industrial centres. Here is one to the King of the Netherlands: —

1st. That the tariff on imports of manufactured goods may be changed, and in accordance with the tariffs now in force in or respecting other countries.

2d. That the commercial intercourse between the Netherlands and its colonies be freed from every obstruction, and that foreign manufactures, on being imported into the said colonies, shall, so far as possible, be made to pay the same duties as prevail in the Netherlands.

The petition further conveys the information to His Majesty that the advantages which were sanguinely held

forth to the nation on the introduction of the free-trade system have remained unfulfilled, while the prejudicial consequences have made themselves apparent from the very beginning in a high degree, have now attained their climax, and menace industry with complete ruin.

The system was introduced on the promise that it would extend navigation. The promise has not been verified, and, on the contrary, protected Belgium furnishes far more encouraging results than free-trade Holland, as the following figures of tonnage of vessels arrived in port prove :—

Amsterdam and Rotterdam, in 1846, 796,000 tons; in 1881, 2,570,000 tons.

Antwerp, in 1846, 330,000 tons; in 1881, 2,938,000 tons.

The prosperity of trade promised by the free-trade advocates has remained unrealized. The once flourishing sugar industry has entirely fallen off; the coffee and tobacco trade has declined, and all business languishes. The prices of daily necessities to the consumer, far from diminishing, have, on many articles, actually risen. The injurious influence of free trade has made itself felt in a much higher degree than ever its enemies could have imagined. Soon after its introduction whole branches of industry were entirely ruined, while those able to maintain their standing are tending to total decay. Important factories have been shut up, and the wages in many others lowered. The unfortunate operative has felt the fatal consequences of free trade in the diminution of his wages.

Thus in vain we turn to the only two countries where the free-trade experiment has been partially tried, but find no triumph to record. The history of both experiments is strewn with unfulfilled promises. Whatever our opinions be with reference to protection or free trade, the fact confronts us that a vast majority of the world still favors protection.

It should be remembered that while Great Britain retains her free-trade policy at home, her colonies, except New South Wales, insist for themselves on rigid protection. The revenue systems of all Asiatic countries are protective, and—in Europe—France, Austria, Norway, Germany, Russia, Italy, and Spain are systematically and increasingly devoted to the policy of levying charges for the purpose of

favoring home production. Austria and North Germany have extended and invigorated their protective policy. The French Republic has, with continued discussion, stood firmly by the principles of Colbert, who founded most of the great manufacturing industries of the nation by the aid of protection. Russia develops its vast resources by close adherence to a protective system, and in 1882 added ten per cent to its customs duties.

FREE TRADE AND PROTECTION IN GERMANY.

After a disastrous attempt to establish free trade, the German Empire in 1880 was obliged to return to protection. I spent a portion of 1883 in Germany, and opportunity was afforded to observe the results of four years of protection. The places which I visited covered the industrial regions of the entire Empire. The tour included the woollen region in the vicinity of Aix-la-Chapelle; the silk region of Créfeld; the textile industries surrounding Elberfeld and Barmen, the iron and coal regions centred around Düsseldorf and Dortmund, including Duisburg, Essen, Hamm, Bochum, Arnsborg, and Muhlheim; further northwest to Bielefeld, the centre of the linen industry; the great commercial towns of the north; thence to Hanover, Berlin, into the cotton and mining regions of Saxony, including Dresden, Freiberg, Chemnitz, Zwickau, Annaburg, &c.; thence to Leipsic through the mining districts of the Hartz Mountains; back to Cologne; up the Rhine to Frankfort, all through the manufacturing region of Alsace-Lorraine; south to Mülhausen, besides a score of other places less noted as manufacturing towns.

In the course of this tour I covered the principal coal, iron, steel, mining, cotton, woollen, worsted, silk, and flax industries of the Empire; and after this investigation am prepared to establish the facts of the industrial progress of Germany since the government abandoned the policy of free trade and returned to protection.

Wages have increased; hundreds of thousands of the unemployed have been given profitable work; old blast-furnaces which had become moss-grown under free trade have been relighted; new ones have been built; others are to-day in course of construction; silent spindles are

humming again; looms covered with dust and cobwebs are once more clattering; old mills have been reopened and new ones have been built, and English firms have found it profitable to move to Germany and give employment to hundreds of the weavers and spinners who under free trade had nearly starved on black bread and horse-flesh.

According to the official figures of the Iron and Steel Association of Germany during 1879, 325 establishments employed 153,979 workmen; in 1883 the same establishments employed 206,150 workmen, an increase of 52,171; in 1879 these establishments paid in wages 112,600,752 marks; for the year ending 1883, 177,052,200; an increase, for the year 1883 over 1879, of 64,451,448 marks.

The average yearly earnings of a workman under free trade were 731 marks (\$182), and under protection, 859 marks (\$214), an increase of 128 marks (\$32) in the earnings of every man. Here is what 4 years of protection has done for Germany:—

Per cent of increase.

Workmen employed	39.9
Wages paid	57.2
Average wages paid each workman	17.4

First, protection gave employment to 52,000 additional workmen; Second, protection has increased the wages, not only of the original 153,000, but of each of the 206,000 men, 17.4.

The iron worker has been benefited by higher wages, and the manufacturer by increase in his dividends. The free-trade dividends were 1.49 per cent, while the dividend under protection reached 5.16 per cent.

Turning to the cotton industry we find that, under an insufficient protective policy, 8 out of the 23 most important mills made no profit. Under protection only one is returned as making no profit; the average profits of the few mills that did pay under free trade did not make over 5 per cent per annum; to-day the average profits will reach 10 per cent. Says Consul Ballou on this subject, "Operatives in Mühlhausen now earn 20 per cent more than they did in 1870." He also presents wage tables sustaining this statement.

A recent letter which I have received from Dr. Wm. D Wamer, United States consul at Düsseldorf, closes as follows:—

“The average yearly wages paid to each workman in this consular district during the year 1878 (free-trade period) amounted to 817 marks, or about \$200, and in 1882 to 909 marks, or \$225, showing an increase of 11.2 per cent. The increase is attributable to the good effects of the new tariff.”

The statistics collected by the Board of Trade of Créfeld (centre of the silk manufacturing) show the tendency of wages in the silk industry since the Empire returned to protection. Here are the figures:—

	1880.	1881.	1882.
Average number of looms in operation	33,008	32,126	35,692
Returns in marks .	47,487,000	76,528,000	83,927,000
Wages paid in marks	24,800,000	25,433,000	27,875,000

If we take the figures for 1880 as 100, the following proportional figures are arrived at:—

	1880.	1881.	1882.
Looms	100	97.0	108.0
Returns	100	102.8	112.7
Wages	100	102.5	112.3

Wages followed the business return, but as compared with the number of looms they rose considerably, going up not only absolutely, but also relatively. The same account comes from the woollen cloth region. I spent two weeks at Aachen with Consul Dubois, and we made a careful investigation.

Mr. Dubois had lived in Germany under both systems, and I asked him if the new tariff had benefited the operatives in the cloth industry, to which he replied as follows:—

“From recent inquiry that I have made I should say unquestionably ‘yes.’ Before the tariff came into force, Germany had to compete with England and Belgium, and the result was that many had to close their mills, and all had to reduce wages. Since the protective tariff has come into force these establishments have opened their doors, in-

creased their time of labor, given employment to persons who were idle, and paid better wages. In piece-work the operatives can earn much more now than then."

The history of the linen industry of Germany and Great Britain forms rather a romantic episode, and one which is not without its attraction to those people who never tire of dwelling on that alluring vision, "The World's Market." Germany once controlled the linen markets of the world. Great Britain wrested them from her, and Glasgow, Dundee, Belfast, and Manchester got the lion's share. Bohemia and Belgium seized the remainder. To Germany remained nothing but a home market, made profitable by protection. Half a century has elapsed, and during this time Great Britain has been browsing in the rich fields of the "World's Market." Let English authorities tell the result:—

"During the last twenty years of this century the linen industry of Germany has increased 300 per cent." — *Mulhall*.

"During the last twenty years the linen industry of Great Britain has decreased 18 per cent." — *Nineteenth Century*, June, 1883.

"During the last twenty years the exports of linen goods from Germany have increased." — *British Blue Book*.

"During the last ten years the exports of linen yarn from England have decreased steadily every year, until they are less than half what they were a decade ago." — *British Statistical Abstract*, 1882.

"The shares of the leading German flax mills at Bielefeld are 20 and 22 per cent above par."

"The shares of the ten principal flax mills of Belfast are 58 per cent below par." — *Nineteenth Century*.

"Germany at the present time gives employment to 200,000 persons in this industry, and Great Britain to 150,000 persons." — *Census of the respective Countries for 1881*.

THE AMERICAN SYSTEM.

Without going further into the economic history of European countries to chronicle the failure of the doctrine of *laissez faire*, we will examine for a moment the marvellous

achievements of industry created by the foresight and power of wise governments, of which our own country affords the most brilliant example. The architects of the Union began prudently to develop trade and industry by import duties. Until we reached the tariff of 1846 the statutes are a succession of imposts, prompted by the spirit which originally enacted the American tariff.

The low tariff of 1857 preceded by a few months the great commercial and industrial revulsion of the same year. Gold had been driven out of the country, industries had been ruined, importations had become excessive, and eleven years of approximate free trade brought upon us universal financial ruin.

In 1861 the Morrill tariff was enacted, and for nearly a quarter of a century the country has progressed and prospered under it, and at the same time passed through the greatest civil war of modern times. It is practically this law, revised by the Tariff Commission, and reduced by the law of 1883, that we are now asked by free-traders to abolish altogether, or modify by horizontal reduction, or adjust for revenue exclusively. There is room for further revision, but it ought to be done by intelligent and friendly hands, and after a careful and calm inquiry into the industrial needs of the country.

Under the present tariff law we have grown from a purely agricultural country largely dependent upon Europe for our manufactures, to a nation teeming with important industries. During twenty years of protection we have added 20,000,000 to our population; the number of our cities and towns (with over 8,000 inhabitants) has actually doubled—from 141 to 286. The population of our cities has more than doubled—5,000,000 in 1860 to upwards of 11,000,000 in 1880. The important industries have developed in the same proportions. The annual product of our coal mines has increased from 14,000,000 tons in 1860 to 96,000,000 now—or nearly sevenfold. Our iron mines in 1860 produced 900,000 tons of ore, but the stimulus of protection has brought up the annual yield to nearly nine times that amount, or 8,000,000 tons. The various metal industries of the country were in 1860 employing about 53,000 hands, consuming \$100,000,000 worth of material,

and producing \$180,000,000 worth of annual product. To-day these same industries give employment to 300,000 hands, consume \$380,000,000 worth of material, and produce every year \$600,000,000 in value of manufactured goods. In 1860 about 130,000 persons were engaged in industries relating to wood and its manufactures; to-day 340,000 are so engaged, while the value of the annual product has increased threefold, exceeding now \$500,000,000. A judicious tariff has increased the number employed in the woollen industry from 60,000 to over 160,000, while the value of the yearly product of our home mills has risen from \$80,000,000 to \$270,000,000. In the cotton industry need I say that we have practically robbed England of 55,000,000 customers, increased the number employed in our mills to 200,000 persons, and, in the last two decades, doubled the value of the product. Imports of cotton goods have steadily declined from 227,000,000 yards in 1860 to 23,000,000 yards in 1881, while export reached, the same year, 150,000,000 yards. A more remarkable progress has been made in the silk industry, which, before the Morrill tariff, gave employment to 5,000 persons; in 1880 it employed over 30,000 — a sixfold increase. The importation of silk goods has remained stationary since 1860, at about \$30,000,000, the production of our own mills increasing from \$6,000,000 in 1860 to over \$40,000,000 in 1880.

The manufacture of pottery, stoneware, and glass employed 12,000 in 1860 against 35,000 now. The chemical industry was in its infancy thirty years ago — 6,000 persons were engaged in it; to-day there are five times that number, or 30,000. Our 30,000 miles of railroads of those times will exceed 120,000 miles at the close of the present year — a mileage equal to the railway mileage of the rest of the world.

THE ULTIMATE BENEFIT TO THE CONSUMER.

And this enormous increase in manufacturing, in internal improvements and home trade has been followed by a steady decrease in the price of manufactured articles to the consumer, and of the cost of transportation to the manufacturer and trader.

The opening of our own coal mines has reduced the

price of coal in the United States to less per ton at the mines than the cost in Great Britain; and, owing to the low rates of freight, to less per ton at the same distance from the mine. A policy of protection has reduced the cost of iron and steel. In 1864, when our first Bessemer steel works were undertaken, American railroad managers were paying from \$80 to \$100 per ton for English steel rails delivered at English seaports. In 1877, ten years after American mills were prepared to manufacture steel rails to fill orders, the price of their rails had been reduced to \$40 per ton; in 1882, notwithstanding the extraordinary demand for steel rails, caused by the boom and appreciation in values of the raw material from which they are manufactured, the average price throughout the year was only \$48.50 per ton. On the 1st of January, 1883, the price had fallen to \$40 a ton, and on the 1st of January, 1884, it was \$35 a ton; in July, 1884, it was below \$30.

It has reduced the cost of freight from an average per ton, per mile, on the principal lines, from one cent seventy mills in 1873, to one cent seven mills in 1880; and to-day official statistics show that railway transportation is cheaper in the United States than in any other country of the world. The same is true in regard to passenger traffic.

It has reduced the cost of our woollen goods. In 1860 we imported nearly one third of the woollen goods used in this country; now we import a little more than one tenth.

The imports, exclusive of clothing, and the home product, according to the census, compare thus:—

	1860.	1880.
Manufactured	80,734,606	267,252,913
Imported	37,936,945	31,834,547
Total supply	118,671,551	299,087,460

If the manufacture had not grown, could we now buy over \$200,000,000 worth without raising prices abroad? Or could we now buy one third the quantity consumed, as we did in 1860, before the present woollen schedule went into force, without paying high prices?

It has reduced the price of wool, because it has increased the production from 60,000,000 lbs. to 325,000,000 lbs.

It has reduced the price of our cotton goods so rapidly to the consumer, that many grades are cheaper here than in England. In two classes of goods, which have only been made in this country for two or three years, the cost of making has been reduced from 33 to 50 per cent in that time, and the actual cost of the goods to the consumer has been reduced in that time from 25 to 30 per cent. Common grades of goods, owing to home competition, have fallen in price below the English price, especially when the relative quality is considered.

What has the protective policy of continental countries had to do with the immigration of part of the cotton trade from Manchester? Let English authorities tell the story. Says a writer in the London *Quarterly Review* : —

“The competition of the United States is certainly real. It has not only virtually deprived us of its 55,000,000 of people as customers, but it threatens us with permanent active rivalry in outside markets.”

Again : —

“The American textile manufacturers have not only been loud in their demand for protection, but they have received it in a high degree. They have increased their consumption of cotton under it to such an extent that their imports of cotton goods have steadily declined from 227,000,000 yards in 1860 to 23,000,000 in 1881.”

With protective barriers to aid them, England's rivals have been making greater progress than England. The consumption of England's goods no longer grows at its old pace, the population of the centre of the cotton industry remains stationary, while the condition of the operatives in Manchester and Salford grows worse and worse. In 1842 Great Britain consumed about 1,375,000 bales of cotton; the continent of Europe, 816,000 bales, and the United States, 325,000 bales. To-day Great Britain's annual consumption is 3,395,000 bales; the continent of Europe has increased to an annual consumption of 3,038,000 bales; and the United States to 2,230,000 bales, averaging 440 lbs. per bale. Thus, under a protective policy, the European Continent and the United States have increased their annual consumption of cotton from 1,141,000 bales in 1842 to 5,268,000 bales at the present

time, while Great Britain has increased from 1,375,000 bales in 1842 to 3,395,000 at the present time, an increase of 2,020,000 bales against an increase of 4,125,000 bales for the protective continent of Europe and the United States. Without going into the question as to whether or not a protective policy benefited England, we are confronted with the important fact that since 1842 the consumption of raw cotton in protective countries has grown at a much more rapid rate than in free-trade England; under the influence of protection other countries have made greater progress.

Protection has reduced the price of our silk goods. The Silk Association recently presented some interesting figures, showing the great decline in prices in the period of 1865 and 1882, that is, from the time of the high tariff. The cost of machine twist, it appears, has decreased 56 per cent; fine silk and scarfs, 55 per cent; serges and twilled silks, 62 per cent; handkerchiefs, 62 per cent; ribbons, 54 per cent; laces, 50 per cent; dress goods, 30 to 35 per cent. During the last two years a still further decline has taken place, until silks, as every woman knows, are cheaper here than ever before. Will any theorist undertake to show that the starting of the silk industry, and the employment of 40,000 persons on this side of the Atlantic, has had nothing to do with this cheapening of the product to the American consumer! And it must be remembered that, estimated on a gold basis, the cost has declined, and that, too, at a greater relative rate than the decrease of the cost of the raw material.

It has reduced the cost of all kinds of earthenware, according to the testimony before the Tariff Commission and the Ways and Means Committee.

It has reduced the price of all kinds of china and porcelain ware.

It has reduced the cost of plate glass, says Mr. Depauw, the largest plate glass manufacturer in America, to one half, in some sizes one third, the price which we were obliged to pay when we imported it.

It has reduced the price of window glass in eleven years from .053 per pound to .031 per pound.

In short, it has reduced the price of every manufactured article consumed in the United States.

HOW THE FARMER REAPS THE BENEFIT.

The American system which we are asked to abolish has thus called into existence these vast manufacturing interests, brought into play the ingenuity and mechanical invention of the country, and firmly established in the republic a class of well-paid intelligent artisans. So important have these industries become, and so much better paid are American workmen than those of any other country, that hundreds of steamships annually enter our ports laden with men, women, and children anxious to partake of the benefits of the policy that has induced wealth to flow in this direction. These vessels return empty of human freight.

But we are told that this industrial progress has been made at the cost of the agricultural interests of the country; that the manufacturer has "robbed" the farmer. This assertion is so false, that, were it not echoed and re-echoed through the land by leading free-traders, one would hesitate to deny that which bears on its face the imprint of falsehood. Manufacturers have only followed closely along the line of agriculture, strengthening and supplementing it. The number of farms has doubled 2,000,000 in 1860 to 4,000,000 in 1880; their value has increased in that period from \$6,000,000,000 to over \$10,000,000,000. The production of cereals has increased under protection from 1,230,000,000 bushels in 1860 to 2,700,000,000 bushels in 1880, an increase of over 100 per cent. The value of live-stock has risen from \$1,000,000,000 in 1860 to \$1,500,000,000 in 1880, while the annual products of the farm have reached \$3,000,000,000. The number of sheep, owing to the duty on wool, has more than doubled—22,000,000 in 1860 to over 50,000,000 at the present time. The home product of wool has increased from 60,000,000 to 325,000,000 pounds. The number of persons returned as employed in the gainful occupations have increased in the last ten years from 12,500,000 to 17,500,000, the rate of increase being in excess of that of the entire population, the former being nearly 40 per cent, while the

latter has slightly exceeded 30 per cent. On the other hand, under free trade in England, as I have shown, the gainful occupations have decreased and agriculture declined.

Every farmer, every working man, and every practical business man, can read and understand the effect of the protective policy on the farmers' interests. "Repeal your protective system," says the free-trader, addressing the American farmer, "buy British goods at a less price than you pay for American goods, and you will become rich and prosperous. Under the American system, you are being "robbed."

What are the facts?

The farmer certainly shows satisfactory progress in cereal production during this quarter of a century of "robbery."

Decade Ending	Total cereal production in U. S.	Percentage of increase since 1850.	Percentage of increase by decades.	Amt. per capita of total pop.
	Bushels.			Bushels.
1880	2,697,962,456	211.0	94.5	53.79
1870	1,387,299,153	59.9	12.0	35.98
1860	1,239,039,947	42.8	42.0	39.40
1850	867,453,967	. . .	. . .	37.40

An increase of nearly 100 per cent in the principal products. Manufactures have done no better than this. Free-traders attributed this immense increase in agricultural products to the cultivation of new land. Professor Brewer, of Yale College, the most distinguished authority on this question in the United States, does not agree with them:—

"The increase in grain production," says Professor Brewer, "since the previous census enumeration, is in part due to the cultivation of new lands in the West and Northwest, but more largely due to gain in farming regions already occupied in 1870. The popular belief that the chief increase in production and the rapid growth of grain

exports is due to the cropping of new and cheap lands, is not sustained by the census enumeration. The tables of production show that most of the gain is in the regions some time in cultivation, and on land ranging in value from \$30 per acre up."

So the agricultural gain, after all, is not in those States which are given over wholly to agricultural or the ideal free-trade condition, not only of the South, but of the West and the whole United States. It cannot be in these States, destitute as they are of diversified industries, that we are to look for this great agricultural gain; for Mr. Dodge, Chief of the Statistical Department of the Agricultural Bureau, has shown that the value of land in States belonging to this class ranges from about five dollars to ten dollars per acre. The gain has been in those States where the value of the land through diversified industries has been increased; where, as I shall presently show, the average per capita product is greater, higher wages are paid to laborers, and the labor of 1,000,000 men produces annually \$160,000,000 more in value of product than the labor of 2,000,000 men can produce in the same working time in the ideal free-trade State:—

	Value per acre.
New Jersey	\$65 16
New York	44 41
Pennsylvania	49 30
Maryland	32 33
Ohio	45 97
Michigan	36 15
Illinois	31 87
Wisconsin	23 30
Indiana	31 11
Iowa	22 92

In the above States, then, which are all manufacturing States, Professor Brewer tells us to look for the greatest gain in agricultural production. And in this Professor Brewer is sustained by Mr. Dodge, who has demonstrated statistically that values in agriculture are increased by non-agricultural population.

To test the value of Mr. Dodge's hypothesis let us divide the States and Territories of the United States into four classes: the first having less than thirty per cent

engaged in agriculture; second, those with 30 and less than 50 per cent; third, those with 50 and less than 70 per cent; fourth, those having 70 per cent and over, being almost exclusively agricultural States. Applying this test to lands, the following result is obtained:—

Per cent engaged in Agriculture.	No. of States and Territories.	Acres.	Value.	Value per Acre.
Less than 30 per cent	15	77,250,742	\$2,985,641,197	\$38 65
Between 30 and 50 per cent	13	112,321,257	3,430,915,767	30 55
Between 50 and 70 per cent	13	237,873,040	3,212,108,970	13 53
Above 70 per cent .	6	108,636,796	562,430,842	5 18

The owner of land thus finds a great advantage in the increase of the proportion of non-agricultural population or of consumers of agricultural products. Does the cultivator of the soil obtain an annual product of higher value? The answer is an emphatic affirmation in the following table constructed from the returns of the census of 1880:—

Per cent engaged in Agriculture.	Number engaged in Agriculture.	Value of Products of Agriculture.	Value per Capita.	Proportion of Workers in Agriculture.
Less than 30 per cent	1,060,681	\$484,770,797	\$457	Per cent. 18
Between 30 and 50 per cent	1,566,875	616,850,959	394	42
Between 50 and 60 per cent	3,017,971	786,681,420	261	58
Above 70 per cent .	2,024,966	324,237,751	160	77

There are nearly twice as many agricultural producers in the fourth class as are found in the first, yet the crops of the 1,000,000 workers are worth much more money than

all the results of the labor of the 2,000,000 workers. The class that has 58 per cent in agriculture makes \$101 per capita per annum more than that which has 77 per cent; and the class with the lower average of 42 per cent realizes \$132 per capita per annum more than that class which averages 58 per cent in agriculture.

Not only is the landowner benefited by diversified industry, by the increase in the value of his land, and the farmer in the increased value of his product, but the laborer is likewise benefited in the higher rate of his wages.

In 1882, according to Mr. Dodge, the monthly wages of the agricultural laborer averaged nearly \$25 in the first and second class, \$19.50 in the third, and \$13.20 in the fourth. The demand for wheat and corn, beef and pork, the product of Ohio, Michigan, Illinois, Wisconsin, and other States of the second class, to supply home, Eastern and foreign markets, brought up the value of farm labor to an equality with wages in the States of the first class. In conclusion I cannot do better than quote the words of Mr. Dodge himself:—

“The influence of manufacturers, of mining, of any productive industries on local prices, whether of farms or farm products, or farm labor is plainly traceable in States, and in various districts within the States, by the furnace fires, the mines, the factories that thickly dot the location where high prices for farm labor prevail. These figures illustrate in a striking manner the operation of what may be deemed a law in industrial economy, and show that the value of farm lands depends more upon the diversification of industry than upon the fertility of the soil, and that the farmer's income is highest where farmers are fewest.”

The annual value of the food products of this country, taking one year and another, have been estimated at \$5,000,000,000, a very small percentage of which is exported. The Hon. Thomas H. Dudley, formerly United States Consul at Liverpool, has shown that of the agricultural products raised by our farmers in the Western and Northern States of the Union, not more than 8 per cent is exported, and 92 per cent of all they raise on their farms is consumed in this country.

The home market is thus the Western farmers' main dependence. It buys more than nine tenths of all that he has to sell; it is more steady and secure, therefore more reliable. It is nearer to him, and therefore costs less to transport his product. In the interest of agriculture everything should be done to stimulate and increase this market. There is nothing the State can do which will be of more benefit to the farmer. Protective duties, as I have shown, do this by building up manufactures giving employment to labor, reducing the price of manufactured goods to the farmer — the Western no less than the Eastern farmer.

Thirty years ago, it has been computed, when we depended upon foreign countries for our manufactured goods, ninety per cent of the commodities then used were made abroad. The policy of protection has changed all this, and now not ten per cent of our manufactured goods come from other countries. Home competition has brought down, as we have already seen, the price of everything to the consumer, and to-day most of the manufactured commodities used by our farmers are as cheap in the United States as they are in England; are now being sold in our stores at as low prices as they can be purchased for in the shops of England. Here is the testimony of Mr. Dudley, who has lived abroad as an official representative of the United States for more than twelve years: —

“This applies to the cotton goods the farmer uses for domestic purposes, whether as clothing for himself and his family or that which he uses for household purposes; to all descriptions of household furniture, to the clock that hangs on the wall, to the watch that he carries in his pocket, to the boots and shoes he wears, to the hat that covers his head, to all descriptions of wooden-ware, to carriages, wagons, carts, barrows, harness, and all agricultural machinery; to tools and implements, including reapers, mowers, threshers, rakes, rollers, ploughs, harrows, cultivators, drills, forks, hoes, shovels, spades, and every other description of agricultural tools, implements, and machines. It also applies to much of the cutlery, crockery, glass, and tinware that he uses, as well as his kettles, pots, and pans; to all descriptions of edge-tools, including the axe. And, in some instances, these things are even much cheaper here

than they are in England. And as to food, whether bread, meat, vegetables, or fruit, it is cheaper here and in more abundance than in any country in Europe."

Nothing can be more false than the claim of the free-trade press and the free-trade orators, that duty is a tax that comes out of the farmers and artisans of the country. By far the greater portion of the revenue collected on importations is the toll paid by people of other countries for the admission of their goods; the difference in the retail price of goods in a partially free-trade country like England and the United States rarely reaching or approaching the amount of duty.

I was assured by a score of manufacturers, when traveling in Lancashire and Yorkshire last year, that the recent increase in French tariff came out of their pockets, and not the consumers in France; that they were compelled to sell their goods in France at the same price as before the increase of duty. In Germany I found precisely the same state of things, and British firms who had moved there admitted to me that they were selling their goods, made by German hands on German soil, as cheap, and in some instances cheaper, than the same class of goods were produced in Leeds, Bradford, Halifax, Huddersfield, Dewsbury, and Batley.

What injury could the tariff possibly have done the consumer in Germany or in France? It simply permitted the producer to make the goods in those countries instead of in a foreign land.

As proof of this in our own country, glance over the exports, from the United States to foreign countries, of our manufactured commodities. We are sending to other nations yearly our agricultural implements, including fanning-mills, horse-powers, mowers and reapers, ploughs, cultivators, shovels, forks, hoes, etc.; carriages, carts, cotton goods, railroad cars, locomotive engines, watches, clocks, glass and glassware, hats, caps, boots, shoes, wearing apparel, machinery, cutlery, edged tools, files, saws, fire-arms, nails, India-rubber goods, jewelry, lamps, saddlery, harness, organs, pianos, paper, stationery, printing presses, sewing machines, household goods, furniture, woodwork, tinware, and scales.

On this point, says Mr. Dudley : "As a rule men do not export goods to another country to be sold at a loss, and when you see a manufacturer sending his goods to a foreign country steadily for a succession of years it is fair to presume that he does it because he can get more there than he can at home ; in other words, that they are cheaper here than in the foreign country to which they are exported."

To introduce the system proposed by the so-called revenue reformer is to break down our home market in favor of Great Britain. It would close our mills and furnaces, and throw hundreds of thousands out of work. England would buy no more of our farmers—she only buys now what she is obliged to buy, and she only buys of us because it is the most convenient and cheapest market. There is no greater folly in the world than this talk of giving up our home industry in hope of replacing it by foreign trade. Suppose, for example, we can buy an article costing \$100 here for \$95 abroad. The consumer makes \$5, but the nation loses in net income \$95. It is not true that if the nation gains an equal amount of foreign trade to the home trade that it has lost, it will be as well off as before.

It must gain double the amount of lost trade. Thus, should England succeed in displacing us in manufacture of metals, cotton, and woollen goods, we should lose an annual product or net income of from \$800,000,000 to \$900,000,000, and to compensate us for that loss we should have to increase our foreign trade about \$1,800,000,000.

Under free trade the farmer would get no better price for his grain ; the standard of living would come down, and with it values and wages ; our annual per capita consumption of food products (now greater than any country) would fall with it in prices ; in fact, the story of Holland and Germany would be repeated on an infinitely larger scale. England alone would be benefited ; (she would buy our wheat at a less price and make more money on the labor of her people). The repeal of our tariff system and the destruction of our manufactories would check the industrial decline of England.

To bring this about she can afford to spend money to

establish Cobden Clubs, engage writers, and circulate books in the United States.

EAST INDIAN WHEAT COMPETITION.

England, though preaching the let-alone doctrine to the rest of the world, has not practised it in India. In direct violation of her favorite theory, she has continually exercised governmental interference for the encouragement of British interests in India—namely, the extension of railroads. A few years ago no one thought much of Indian wheat as an article of commerce. The trade commenced in 1873 when the export duty ceased. Great reduction of freight, owing in a large part to governmental aid to railroads has recently occurred. Railroads have gradually approached some of the wheat growing districts. From the following table we may judge of the astonishing progress of this industry:

Amount and Value of Wheat Exported.

1873	. . . . .	394,010	cwts.	£167,690
1878	. . . . .	6,373,168	"	2,873,765
1879	. . . . .	1,056,720	"	520,138
1880	. . . . .	2,201,515	"	1,124,267
1881	. . . . .	7,444,375	"	3,277,962
1882	. . . . .	19,902,005	"	8,869,562
1883 (six months)	. . . . .	15,714,982	"	6,613,432

France and Belgium are taking a good deal of this wheat. It may be possible to land this wheat on the Pacific coast of the United States at a less cost than it can be produced in the wheat districts of California and Oregon. The Pacific coast may yet demand even a higher duty on wheat to protect its farmers against the labor of India. It is clear that any quantity of wheat can be had in India, and the only question is the cost of carriage to the seaboard. Every twenty miles of carriage by bullock cart is said to add 25 cents per quarter (8 bushels) to the cost of the wheat at the coast. Railway transportation costs more in India than in the United States. Time will remedy this, but even with governmental aid it will take many years. The United States, with 55,000,000 popula-

tion, has 125,000 miles of railway; India, with 250,000,000 population, has but 10,000 miles of railway.

The first cost of raising wheat in India is less than in the United States, but perhaps not so much less as represented. It has been recently claimed by English authority that wheat can or could be grown in the central provinces at from 18 to 21 cents per bushel; this is denied by the chief commissioner of the province, and the first cost in the districts near the railway is estimated at 35 cents a bushel or \$2.80 per quarter.

It is safe to assume, in view of these facts, that what can be raised in India at a primary cost so low, and in quantities so enormous, that, given a moderate rate of carriage to the coast, — the Indian cultivator, whose help costs him but a few cents per day, will be able to compete in Europe with the farmer of America or Canada. Higher rates of carriage may at first prove an obstacle, but this will in the end be overcome. These are in brief the facts about Indian wheat competition.

The advocates of free trade are deducing from these facts that the American farmer must soon compete with the Indian ryot in wheat growing, and that by admitting foreign manufactured goods into this country free of duty, the American farmer's chances for this probable competition will be improved. Like most free-trade assumptions there is nothing in this imaginary danger. To begin with, such a proposition is not likely to be met with favor by our farmers. It first involves admission into the United States, free of duty, of all agricultural products, including wheat, for food products and necessities of life could not remain dutiable, and manufactured articles free. The market for 92 per cent of the agricultural products raised by our farmers in the Western and other States would thus be open to foreign competition, and our farmers would be liable to an attack in their strongest and most profitable market.

On the other hand, the abandonment of the protective system in manufacturing industries would alike affect disastrously the American farmer's interest.

First. American laborers and artisans and their families who now make the manufactured goods in the United States purchase American grain and American provisions.

Second. German or Belgian or British laborers or artisans who would, under a free-trade system, make the manufactured articles for the American farmers, may or probably would be supplied with this cheaper food from India or other lands.

Third. The men thus banished from the mine, the furnace, or factory in our own country, are told by the free traders to seek the land; in other words, to increase the production of wheat. But the supply of wheat is already superabundant, and in the production of it our farmers are said — with some truth, we have seen — to be in danger of being compelled to compete with the cheapest labor in the world.

The abandonment of protection will in no way help the farmer, as the free-traders claim. It will stop immigration, and hence lessen the ever-increasing demand for food at home, while it will leave him in a much worse position than he now is in, in the matter of Indian and Russian competition. In the words of Judge Kelley of Pennsylvania: —

“The primary want of the American farmer is a quick, remunerative home market. When our mills, forges, furnaces, and factories were busy, and our operatives were well paid, we consumed nine tenths of all the cereals we could grow, but with idleness prevailing in industrial centres, with the reduction of wages and the power to consume, and with great branches of industry expelled from the country, we cannot look to an increase in the home demand or the maintenance of past prices.”

The American farmer must not forget that, besides the direct benefit he receives from the protective tariff in the duty on wool and all agricultural products, and the indirect benefits in the increase, as I have shown, in the value of his land and the price of its product, and the continued cheapening of his manufactured goods, there is yet another advantage in this system too often overlooked by our farmers. The protective tariff prevents direct taxation. Abolish your custom-houses, as the more fanatical free trader proposes, and annually over \$200,000,000 must be raised by direct taxation.

The farmers of Michigan have been looking into this

question of direct taxation, and the curious results they have reached will be of interest to farmers throughout the country. The statistician has discovered that the despised custom-houses produced, in 1882, \$213,000,000; that this amount, distributed among the several states of the Union, according to population, as the free traders propose, would add the snug sum of \$6,956,982 to the annual tax-roll of Michigan, an amount equivalent to $8\frac{1}{2}$ mills on the dollar. To distribute this tax on the assessed returns would in some cases double, and in others treble, the present state and county taxes. For example, the state and county tax of Wayne County, Michigan, was \$367,578 in 1880, and the United States tax, by direct taxation, would be \$1,116,700, — more than threefold the state and county tax combined. In some agricultural counties of Michigan such a tax would exceed the state and county tax fivefold. A farmer assessed at \$10,000 would have to pay \$85.00 a year, and one assessed at \$20,000, \$170 a year, an amount about equal to the total store expenditures of many well-to-do farmers.

Before our farmers vote to abolish the toll that foreign manufacturers pay for the privilege of selling their goods in the American market, it might be well for them to decide in their own minds whether they pay the bulk of the import duties, or the wealthy class who consume imported goods; and whether in the direct taxation scheme the farmer's land, or the bonds and stocks of the capitalist, would be most likely to escape the United States assessor. Any farmer can figure out this simple problem for himself. Under the new order of things he can even ascertain exactly his proportion of the tax. It is a phase of the tariff question that must not be overlooked.

WORKING-MEN BENEFITED BY PROTECTION.

How does this question affect the men and women engaged in manufacturing, mechanical, and mining industries and transportation in the United States. The time has come for this army of 4,400,000 persons to examine free trade and protection for themselves. Our imported manufactured goods come chiefly from Great Britain,

France, Germany, Austria, Italy, Spain, Portugal, Belgium, Holland, and Scandinavia. In these countries over 31,000,000 men and women are engaged in manufacturing and mining pursuits. The average annual income of these millions is less than \$4 a week, or \$200 a year. Unless they emigrate to the United States, they have no hope to rise from the condition to which they were born.

The official returns of these countries bring out the astonishing fact that over 8,000,000 persons, a number exceeding one fourth of the industrial population are returned as paupers, and that annually the taxpayers, already burdened with the immense cost of imperial armies, have to pay the enormous sum of \$150,000,000 to prevent these people from dying of starvation. Of this amount free-trade Great Britain alone contributes over one third, or \$50,200,000. So terrible has the fight for existence become in these countries that every year thousands who can scrape together a few dollars leave their homes in the old world and cast their lot with us on this side of the Atlantic. From the British Isles alone, during the last ten years, have come 1,333,247, and from the other nations of Europe 2,359,468, making a total of 3,892,715, equalling almost, in point of number, the population of Holland. With the same environments, with the same institutions to bring out their higher manhood, the citizens of the Republic extend a welcome hand to this tremendous army of emigrants.

But we are not ready to extend this same privilege of competition to those who still remain in other nations; to men who are living in different surroundings, who have not been educated up to the plane of the American workman; but who are content to slave on through life as their ancestors have done before them; who are chained to the forge, the mine, the loom, and the despotic ruler; without hope and without future. Yet this is what free trade, or the denationalization of the United States, demands of the American workmen. To support this demand, the workingman is made the victim of the most extravagant statements; he is told that the purchasing power of his wages will increase the moment he begins to compete even-handed with the 30,000,000 poorly paid workers of

Europe. He is told the "pauper labor cry" is a myth, and yet before him troops the gaunt host of 8,000,000 men and women dependent on charity. With wages varying from 50 to 150 per cent higher in the United States than in Europe, the workingman pays less for his necessities of life.*

A WORD FOR WOMAN.

And now a word for woman. In European countries she has to bear the double burden of motherhood and labor. I have seen her in free-trade England around the mouth of the coal-pit and iron mine; I have seen her working "olivers," making bolts; at the anvil making nails and chains; in the brick-fields, with bare feet and arms, carrying clay and bricks; on the Continent I have seen her harnessed up with dogs; I have seen her filling

* I cannot do better than quote from Mr. Ellis Robert's recent lectures before Cornell University, as he makes this point remarkably clear; he said: "Beef, pork and poultry are cheaper with us, and so, the country through, are tea, coffee and even sugar at retail. The Liverpool market fixes the price, not of grain in general, as is often said, but of our surplus. Our own price determines whether there will be any surplus or not. The American buys his cotton fabrics as cheaply as anybody. Anything made of wood which is higher here than elsewhere, must be a curiosity or something which takes value from age. We are constantly exporting leather and many of its products. In many of the products of iron we excel other nations, and in steel we are at the forefront. In iron our progress is the most rapid. Many of our tools are cheaper than the English. Tea and coffee are sold in this country cheaper than anywhere in Europe, and certainly much more so than under the heavy British duties. Sugar pays a very high duty in the United States, and yet such are the facilities for refining here that our retail prices are as low as those of Britain. At an equal distance from the mines coal is sold as cheaply in this country as in Britain. The most careful study will prove that all articles of prime necessity, including food in the essential varieties and the comforts of life, are cheaper here, not only in their relation to wages, but in money, than in any other country.

When a family starts to set up a home in this country it will find that for furniture and cutlery, and the miscellaneous articles necessary, it will be charged as low rates as in any part of Britain or Europe. Plain pottery is as cheap, glassware twenty per cent cheaper, coarse carpets and blankets are as cheap here as elsewhere. A like equipment for a house is

blast furnaces, wheeling barrows, working in the fields; in fact, doing the work of man and beast.

Statistics will help us here a little. The census of free-trade England show that 65,000 women are engaged in coal-mining, clay-working, and the manufacture of iron and steel. Of the 6,373,367 persons returned in 1881 as engaged in industrial pursuits in England and Wales, 1,578,189 were women. Of the 3,837,112 so returned in the United States only 631,988 were women. Of this number the manufacture of tobacco, boots and shoes, clothing, woollen and worsted, cotton and silk goods, hosiery, millinery, carpets, fancy boxes, hats and caps, printing, book-binding, and canning fruit employ about 460,000, and the miscellaneous industries the remainder. But few are engaged in out-door manual labor. At present we are not

to be bought for as little here as in Britain. The savings here on food will pay for the small share of the earnings appropriated to silks and woollens, of which the prices are higher. Rent is not more here than in Britain or Europe, under like conditions, though our people demand better accommodation and naturally have to pay for it. Our studies show that for three fourths of the usual expenditures of a family, the prices are in favor of the United States. The money cost is actually less here than in the land of lower wages, and with like comforts the expense is on the whole lower in this country. Even the exceptional articles tend downward in the United States as nowhere else.

In a recent report containing wage tables from almost every consulate in Great Britain, Consul-General Merritt said:—

“While, therefore, the American working-man of to-day may not, on the whole, have an advantage of 100 per cent over his English brother, there is no question but that his position is eminently superior in all that pertains to the happiness and well being of himself and family and in his ability to save for the future.”

He also says:—

“It is proper to observe that at, and contiguous to, many of the manufacturing centres a most distressing state of affairs has for a long period of time existed among the lower or laboring classes, which condition has in fact become chronic. Each succeeding generation inherits this chronic state or condition, together with its unhappy characteristic traits of thought and life. Born to poverty, accustomed to squalor, and bred amid indecent surroundings, they become inured to them and will propagate them as the creatures of the jungles do their species.”

obliged to graduate our girls and our future mothers as fillers of blast-furnaces and makers of brick. The competition with the laborers of Europe has not yet compelled our women to work at the anvil and the smithy fire. The labor of woman in the United States has not yet been degraded, because men who bow down and worship the god of cheapness demand it; so long as the labor of our country is protected, so long and no longer will the head of the family be able to earn enough money to support his wife and children.

While diversified industries in America have given women a chance to supplement man, in a womanly way, in his struggle for a livelihood, the demand for cheap commodities has not yet unsexed her and compelled her to desert the home and the fireside, and labor in the field and the mine, little better than a beast of burden.

THE AMERICAN POINT OF VIEW.

We are not, however, responsible for the policy of England, nor are we the wisest judges of what methods her peculiar necessities compel her to adopt. But when, by example and precept, by appeals so persistent that they approach the line of impertinence, she urges the people of other countries to follow her lead, we are justified in scrutinizing her condition, her motives, and the degree of success she has attained in securing to the great mass of her people their fair share of the good things of this life. As regards the condition of the British aristocracy and the wealthy commercial class there is no question. They are surrounded with every luxury that money can buy. Our concern is with the great producing class. England's insular location obliges her to cultivate commerce with any people who will consent to trade with her. To encourage this, and to protect her floating property, she maintains her vast navy and not inconsiderable standing army. This naval and military service is, in fact, her national police force, doing duty wherever her commercial marine seeks raw material or carries her manufactured stuffs. Her "little wars" are carried on in the interest of her foreign trade. To increase her foreign trade is now her political

religion. Unless this can be accomplished England's importance among the great nations must slowly but inevitably decline. Hence her ceaseless cry to all the world, "trade! trade! trade!"

Do the conditions of America correspond to those of Great Britain, or are they in almost every important element the opposite? Instead of an insular situation our domain is continental; our national government republican instead of a constitutional monarchy; our climate and soil capable of rendering the nation self-supporting in all the essentials of modern civilization, instead of being limited to the production of little food and much coal and iron. With the exception of a few unimportant tropical products, America need not look beyond her own borders for all that goes to make a prosperous and powerful nation. In her independent situation; in her splendid climate and inexhaustible richness of soil; in the thrift, intelligence, and enterprise of her citizens she is unique among the sisterhood of great states. All these peculiar features carry with them correspondingly high responsibilities. She must work out her own salvation; she must faithfully develop her own resources, and, however it may affect the interests of Great Britain, she must pursue her own independent course in the future as she has done in the past, and so use her matchless opportunities as to create a complete, well-rounded, self-supporting nation, such as the world has not seen. In the domestic interchange of her products and the work of her shops no navies or armies are required, and diplomacy is silent. Under American institutions privileged classes—an aristocracy of birth, and a tenantry class—are all unknown. The people make their own laws. Under these conditions there is no occasion to imitate the policy which may from time to time be forced upon the people of Great Britain. We will not meddle with her affairs (unless compelled to teach her to respect our own), but we cannot accept her experience, as illustrated by the condition of her people, as being worthy of adoption by America.

A nation's strength is not to be chiefly measured by its foreign trade. In fact, as is eminently the case with England, this excessive foreign trade carries with

it the necessity of a corresponding military and naval establishment to measurably offset a weakness inherent in a condition of such widely scattered interests. More merchant marine means more ironclads. These may be the only methods by which England can sustain herself in the increasing competitions of modern times, though in following it she sacrifices her agriculture and becomes dependent upon foreign lands for two thirds of her food supplies. A prolonged disturbance of her carrying trade may yet jeopardize this food supply and develop an internal weakness to which no other nation had ever been subjected. The converse is true of America. No disturbance beyond her own ample borders can ever seriously affect her stability, for her strength is due to her natural development in all departments of human effort; her agriculture and mechanic arts growing side by side, mutually supplementing and re-enforcing each other.

Our own experience, as I have shown, vindicates the policy of protection: its strength lies in the prosperity it has given the nation; in the great industrial cities it has built up; in the prosperous and diversified industries it has founded; in the profitable home market it has given our farmers; in the varied employment it has given the men and youths of the country; in the homes and profitable work it has offered our kin beyond the sea.

In all that goes to make a nation strong and prosperous; in all that goes to make a country great and independent; in all that goes to broaden the horizon of the laborer, increase his earnings, cheapen the cost of what he buys, and improve his condition, in all this lies the strength of the protective system. Firm in the convictions of our leading thinkers, deeply seated in the experience of the country, strong in the hearts of the majority of people, and laden with evidences of its rich fruit, it is not likely the American system, shaped by the same hands that built the Republic, is to be wiped out for a system which in the earlier days of our national existence was known as the "Colonial Policy" and to-day as the "Manchester School" or "Free Trade."

The cause of protection is the people's cause; it effects the vast masses of the people, and they must and will understand it. It cannot alone be studied in the lecture- a

room. It can be studied in the light of the experiences of other nations, and in the experience of our own country. In this way I have attempted to present the facts, which must speak for themselves. As an inquirer after the truth, I have travelled thousands of miles through the industrial regions of Europe and our own country, and in this spirit of inquiry, and with no pretensions to political economy, I submit this address, earnestly believing with Henry Clay, that, "The cause is the cause of the country, and it must and will prevail. It is founded on the interests and affections of the people. It is as native as the granite deeply embosomed in our mountains."

APPENDIX.

WAGES AT HOME AND ABROAD IN SOME TEXTILE INDUSTRIES.

OCCUPATION.	AVERAGE WEEKLY RATE OF WAGES PAID IN WOOLLEN FACTORIES.			
	United States, — Massachusetts District.*	France, — Rheims trict.†	England, — Yorkshire Dis- trict.‡	Germany, — Rhenish trict.§
WOOL SORTERS.				
Men	\$9 43	\$5 82	\$5 76	\$5 50
Women		2 70	2 40	2 50
Young persons	5 12	2 00	1 80	1 90
SPINNERS.				
Men (overseers) . . .	12 00	6 50	6 00	6 60
Spinners	9 05	6 00	5 00	5 25
Women	6 18	3 00	3 00	3 00
Young persons	4 81	2 00	1 80	1 90
Piercers	5 00	3 00	2 50	2 40
WEAVERS.				
Men	8 53	4 67	4 80	4 25
Women	7 45	4 00	3 48	4 00
Mechanics	13 43	6 25	5 50	5 00
Laborers	8 58	3 75	3 25	3 00

* Report of Bureau of Statistics, Massachusetts, 1882.

† Compiled by Consul Frisbie, from books of manufacturers, 1882.

‡ Report of Robert Giffen, Statistical Department, Board of Trade, 1882.

§ Compiled by Consul Du Bois, from books of manufacturers, 1882.

We have a table here, founded on the careful work of four responsible authorities. If they tell the truth, the fact is established that in the important woollen districts the wages of England and the Continent are alike; that Protective France and Germany, with their new tariffs, have increased the well-being of their work-people, while Great Britain has done the reverse by opening her ports. The table establishes that wages are about 100 per cent greater in this industry in the United States than in any of the European countries. To abolish the duties that secure this to the working-man of the United States would result as it has done in England — in a levelling of wages.

AVERAGE WAGES HERE AND IN GREAT BRITAIN.

Below I print what Mr. Carroll D. Wright, of the Bureau of Statistics of Massachusetts, calls the general average weekly wages paid to all employees in Massachusetts and Great Britain in 1883 :—

INDUSTRIES.	GENERAL AVERAGE WEEKLY WAGES PAID TO ALL EM- PLOYEES.	
	Massachusetts.	Great Britain.*
Agricultural implements	\$10 25	\$8 85
Artisans' tools	11 80	4 89
Boots and shoes	11 63	4 37
Brick	8 63	4 16
Building trades	14 99	7 21
Carpetings	6 08	4 11
Carriages and wagons	13 80	4 89
Clothing	10 01	6 71
Cotton goods	6 45	4 66
Flax and jute goods	6 46	2 84
Food preparations	9 81	2 72
Furniture	11 04	7 96
Glass	12 28	6 94
Hats, fur, wool, and silk	11 01	5 51
Hosiery	6 49	4 67
Liquors, malt and distilled	12 87	12 66
Machines and machinery	11 75	6 93
Metals and metallic goods	11 25	7 40
Printing and publishing	11 37	5 52
Printing, dyeing, bleaching, and fin- ishing cotton textiles	8 67	4 94
Stone	14 39	8 58
Wooden goods	12 19	5 67
Woollen goods	6 90	4 86
Worsted goods	7 32	3 60
All industries	\$10 31	\$5 86

* "Average" instead of "high" wages rates for Great Britain.

It will be seen from this table that the average wages to all employees for the twenty-four industries considered in Massachusetts was \$10.31 a week, while that for Great Britain is \$5.86 a week—the wages in Massachusetts thus being nearly double the average weekly wages paid in the same industries and to the same class of employees in Great Britain.

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